

AMENDED IN ASSEMBLY APRIL 21, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

## ASSEMBLY BILL

No. 992

---

Introduced by Assembly Member Lieu

February 27, 2009

---

An act to amend Section 17537.9 of the Business and Professions Code, relating to unfair business practices.

### LEGISLATIVE COUNSEL'S DIGEST

AB 992, as amended, Lieu. Advertising: residential property taxes: assessment appeal application filing services.

Existing law provides that certain advertising related practices are unlawful and makes a violation of those provisions a crime. Existing law makes it unlawful for a person to make any untrue or misleading statements in any manner in connection with the offering or performance of an assessment appeal application filing service, *as defined which is defined as any service performed or offered to be performed for compensation in connection with an application for reduction in assessment of residential property, as specified.* Existing law exempts from the definition of an assessment appeal application filing service any service performed by a person who actively advocates, in person or by written and oral communications, on the behalf of the person to whom a ~~solicitation~~ solicitation is made before the assessment appeals board or the assessor's office.

This bill would ~~delete that exemption~~ *recast these provisions to instead make them applicable to an assessment reduction filing service, which would be defined as any service performed or offered to be performed for compensation in connection with an application or request of any kind of reduction in assessment of residential property,*

*as specified, or to provide comparable sales information in connection with such an application of request. The bill would delete the exemption in the definition of an assessment appeal application filing service and thereby include in the definition of an assessment-appeal-application reduction filing service those services performed by a person who actively advocates, in person or by written and oral communications, on the behalf of the person to whom a ~~solicitation~~ solicitation is made before the assessment appeals board or the assessor's office. The bill would prohibit an assessment-appeal reduction filing service from charging, demanding, or collecting money in connection with a request for review, or in connection with an assessment appeal application, until after the request is filed with the assessor or until after the assessment appeal-application is filed with the ~~property tax assessor's office or~~ clerk of the assessment appeals board, as specified. The bill would make it unlawful for an offeror of an assessment reduction filing service to file a request or application of any kind for reduction in assessment without first obtaining a written authorization from the property owner and would impose other requirements with respect to that written authorization. Because a violation of ~~this provision~~ these provisions would be a crime, and because this bill would expand the scope of services subject to the provisions regulating assessment appeal application filing services, a violation of which is a crime, the bill would impose a state-mandated local program.*

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 17537.9 of the Business and Professions
- 2 Code is amended to read:
- 3 17537.9. (a) It is unlawful for any person to make any untrue
- 4 or misleading statements in any manner in connection with the
- 5 offering or performance of an assessment-appeal-application
- 6 reduction filing service. For the purpose of this section, an "untrue

1 or misleading statement” includes, but is not limited to, any  
2 representation that any of the following is true:

3 (1) The preparation of *a request for review or* an assessment  
4 appeal application will result in a guaranteed reduction of property  
5 taxes ~~of a stated amount~~.

6 (2) A fee is required in order for the county to process a  
7 reduction of a property’s value *where the county has no applicable*  
8 *fee*.

9 (3) The offeror of the assessment-~~appeal-application~~ *reduction*  
10 filing service will be physically present to represent the person to  
11 whom a solicitation is made before *county assessor staff*, an  
12 assessment appeals board, county board of equalization, or *an*  
13 assessment hearing officer, unless the fee includes this service.

14 (4) The offeror of the assessment-~~appeal-application~~ *reduction*  
15 filing service will prepare or complete *informal assessor review*  
16 *data or prepare or complete* the application in full, with the  
17 exception of the property owner’s signature, on behalf of the person  
18 to whom a solicitation is made, unless the fee includes this service.

19 (5) The offeror of the assessment-~~appeal-application~~ *reduction*  
20 filing service has a file or record covering a person to whom a  
21 solicitation is made.

22 (6) The offeror of the assessment-~~appeal-application~~ *reduction*  
23 filing service is, or is affiliated with, any governmental entity. A  
24 violation of this paragraph includes, but is not limited to, the  
25 following:

26 (A) The misleading use of any governmental seal, emblem, or  
27 other similar symbol.

28 (B) The use of a business name including the word “appeal” or  
29 “tax” and the word “assessor,” “agency,” “bureau,” “department,”  
30 “division,” “federal,” “state,” “county,” “city,” or “municipal,” or  
31 the name of any city, county, city and county, or any governmental  
32 entity.

33 (C) The use of an envelope that simulates an envelope containing  
34 a government check, tax bill, or government notice or an envelope  
35 that otherwise has the capacity to be confused with, or mistaken  
36 for, an envelope sent by a governmental entity.

37 (D) The use of an envelope or outside cover or wrapper in which  
38 a solicitation is mailed that does not bear on its face in capital  
39 letters and in conspicuous and legible type the following notice:  
40 “THIS IS NOT A GOVERNMENT DOCUMENT.”

1 (7) A late fee is required if the person to whom the solicitation  
2 is sent fails to respond to the offeror of the assessment reduction  
3 filing service by a date stated in the solicitation.

4 (b) (1) It is unlawful to offer to perform an assessment-appeal  
5 reduction filing service without making the following disclosure:

6  
7 “THIS ASSESSMENT-APPEAL-APPLICATION REDUCTION  
8 FILING SERVICE IS NOT ASSOCIATED WITH ANY  
9 GOVERNMENT AGENCY. IF YOU DISAGREE WITH THE  
10 ASSESSED VALUE OF YOUR PROPERTY, YOU HAVE THE  
11 RIGHT TO AN INFORMAL ASSESSMENT REVIEW, AT NO  
12 COST, BY CONTACTING THE ASSESSOR’S OFFICE  
13 DIRECTLY. IF YOU AND THE ASSESSOR CANNOT AGREE  
14 TO THE VALUE OF THE PROPERTY OR IF YOU DO NOT  
15 WISH TO CONTACT THE ASSESSOR YOU CAN OBTAIN  
16 AND FILE AN APPLICATION, AT NO COST, FOR CHANGED  
17 ASSESSMENT WITH THE COUNTY BOARD EQUALIZATION  
18 OR ASSESSMENT APPEALS BOARD ON YOUR OWN BEHALF.  
19 AN APPEALS BOARD HAS THE AUTHORITY TO RAISE  
20 PROPERTY VALUES (BUT IN NO CASE HIGHER THAN THE  
21 PROPOSITION 13 PROTECTED VALUE) AS WELL AS TO  
22 LOWER PROPERTY VALUES.”

23  
24 (2) The disclosures specified in paragraph (1) shall be placed  
25 at the top of each page of every advertisement or promotional  
26 material disseminated by an offeror of an assessment-appeal  
27 application reduction filing service and shall be printed in 12-point  
28 boldface type enclosed in a box formed by a heavy line.

29 (3) The disclosure specified in paragraph (1) shall be recited at  
30 the beginning of every oral solicitation and every broadcast  
31 advertisement and shall be delivered in printed form as prescribed  
32 by paragraph (2) before the time each person who responds to the  
33 oral solicitation or broadcast advertisement is obligated to pay for  
34 the service.

35 (c) (1) No offeror of an assessment-appeal-application reduction  
36 filing service shall charge, demand, or collect any money-until  
37 after the assessment-appeal-application is filed with the property  
38 tax assessor’s office or clerk of the assessment-appeals board. in  
39 connection with a request for review until after the request is filed  
40 with the assessor.

1 (2) *No offeror of an assessment reduction filing service shall*  
2 *charge, demand, or collect any money in connection with an*  
3 *assessment appeal application until after the application is filed*  
4 *with the clerk of the assessment appeals board.*

5 (d) For the purposes of this section, the following definitions  
6 apply:

7 (1) ~~“Assessment appeal application reduction filing service”~~  
8 means any service performed or offered to be performed for  
9 compensation in connection with the preparation or completion  
10 of an application *or request* of any kind for reduction in assessment  
11 of residential property or in connection with the assistance in any  
12 manner of another person to prepare or complete an application  
13 *or request* of any kind for reduction in assessment of residential  
14 property *or to provide comparable sales information in connection*  
15 *with an application or request for reduction in assessment of*  
16 *residential property.*

17 (2) “Assessment appeal application” has the meaning described  
18 in Section 1603 of the Revenue and Taxation Code.

19 (e) (1) *It is unlawful for an offeror of an assessment reduction*  
20 *filing service to file a request or application of any kind for*  
21 *reduction in assessment without first obtaining a written*  
22 *authorization from the property owner.*

23 (2) *A true and correct copy of the written authorization shall*  
24 *be submitted with any request or application for reduction in*  
25 *assessment. The offeror shall maintain the original written*  
26 *authorization for a period of three years and shall make it available*  
27 *for inspection and copying within 24 hours of a request without a*  
28 *warrant to law enforcement, the Attorney General, district attorney,*  
29 *or city attorney.*

30 SEC. 2. No reimbursement is required by this act pursuant to  
31 Section 6 of Article XIII B of the California Constitution because  
32 the only costs that may be incurred by a local agency or school  
33 district will be incurred because this act creates a new crime or  
34 infraction, eliminates a crime or infraction, or changes the penalty  
35 for a crime or infraction, within the meaning of Section 17556 of  
36 the Government Code, or changes the definition of a crime within  
37 the meaning of Section 6 of Article XIII B of the California  
38 Constitution.